

## Recognition to Drive Engagement – A **Scotiabank Case** Study

Ramón Edilio Vargas

Director Global Employee Recognition at Scotiabank

Vanessa Brangwyn

Chief Customer Officer at Achievers











- The Impact of Recognition
- The Service Profit Chain
- Customer Case Study Scotiabank
- Pillars of Success

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"Recognizing employees is the simplest way to improve morale and employee engagement."

Source: Harvard Business Review May 9, 2016

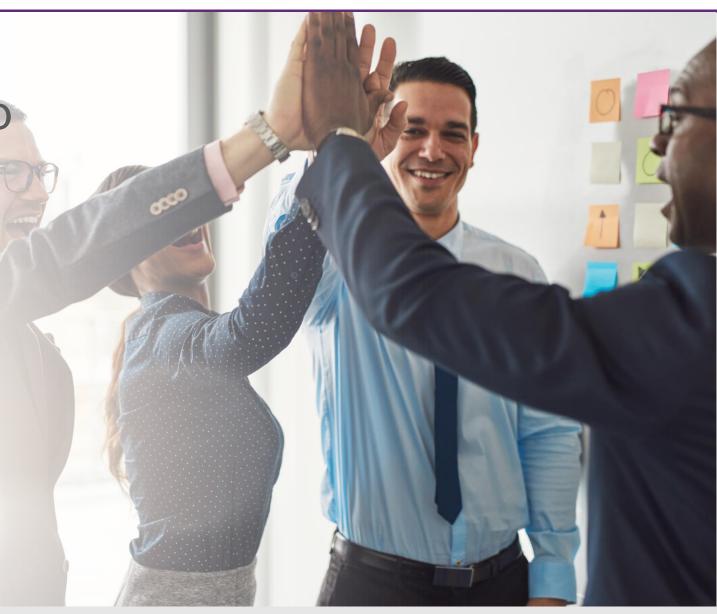


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Organizations in the top quartile of employee engagement scores had 17% higher productivity than those in the bottom quartile.

Source: Gallup – Q12 Meta Analysis May 2016







## **Employee Engagement**



Customer Loyalty

Stakeholder Value





Companies with highly-engaged workplaces outperform their peers in earnings per share by

**4147**%

Source: Gallup – Q12 Meta Analysis May 2016







Ramón Edilio Vargas Director Global Employee Recognition at Scotiabank







## Scotiabank

**Founded** 

1832

Halifax, Nova Scotia

**Employees** 

90,000+

58% Outside of Canada

**Customers** 

24 million+

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Global Employee Recognition team located in Toronto owns the global policy for 3 major recognition programs:

## Applause 2.0

 informal, ongoing, social recognition, with and w/o points

# Best of the Best

 formal, annual, performance-based



 formal, annual, tenure-based, 1<sup>st</sup>, 5<sup>th</sup>, every other 5<sup>th</sup> year





- 3 languages (English, French, Spanish)
- Purchasing Power Parity
- GER determines key messages globally, local / B.U. customize for their groups
- Country / regional teams empowered to design locally-relevant campaigns
- Country reporter access through Applause 2.0
- Monthly calls to gather input, feedback



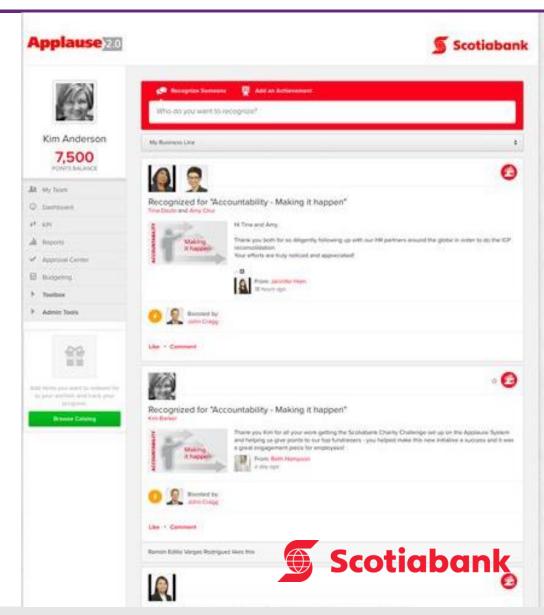






## Applause 2.0

- Available to 90,000 users in 40 countries
- Largest groups in Canada, Mexico, Peru, Colombia, Chile, Central America and the Caribbean
- Includes all business units and functions
- Cultural shifts and Bank values used as recognition categories
- 5 KPI tracked throughout the year, monthly dashboards
- Two major global campaigns in the year to raise awareness and drive usage



## Leveraging Applause 2.0: Journey at a Glance





Jan 2018

**Pay It Forward** 

and reward high performance





**APPLAUSE 2.0 SURVEY** 

Survey

NEW COUNTRY IMPLEMENTATIONS
IN CENTRAL & LAT AM



PAY IT FORWARD' CAMPAIGN

BEST OF THE BEST 2016

AWARDS Be



LAUNCHED POINTS TO AWARD IN CANADA &

t 2016 ENABLED BOOST





Applause 2.0

LAUNCH MARCH 2016



2 MINUTE RECOGNITION SURVEY

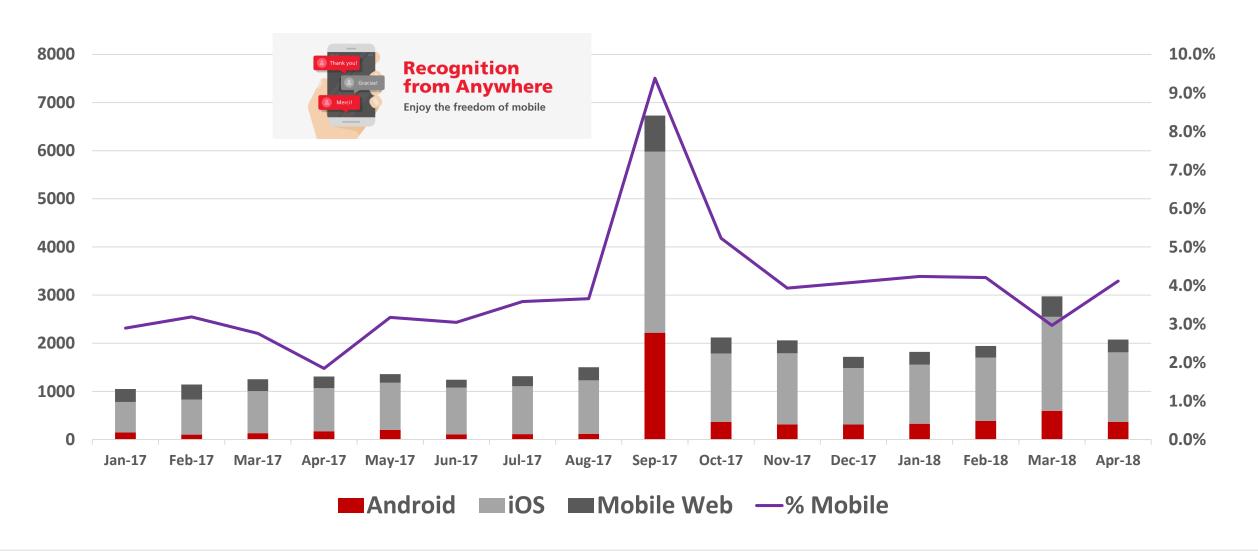
TRIBUTES SURVEY



2004-2016: APPLAUSE LEGACY PROGRAM









#### **Executive Support**



- Focus on what's important to Exec level
- Develop strategy to support Exec goals
- Identify key champions
- Make it easy to engage and support
- Measure, Report, Refine

People Leadership Accountability



- Define key behaviors that drive results Identify key champions
- Train & educate
- Hold leaders accountable
- Drive competitive spirit

Continuous Communication



- Set recognition, engagement, and business alignment goals
- Commit to ongoing mass & targeted strategy
- Keep it fresh and fun

Alignment to Business



- Define core business objectives
- Engage People Leaders & Employees through multichannel communications
- Set success metrics, measure results and adjust as needed

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#### EXECUTIVE SUPPORT AND PEOPLE LEADERSHIP ACCOUNTABILITY



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#### APPLAUSE 2.0 - KEY PERFORMANCE INDICATORS

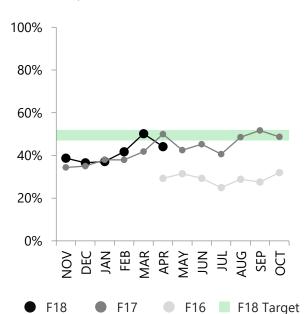
#### **All Bank Overview**

F2018 Year to Date

\$ Based on monthly point budget usage by PMs

People Manager Budget Usage **42%** 

▲ Up 1% from F2017



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Based on employees who have enabled their account to date

All Employee Activation **86%** 

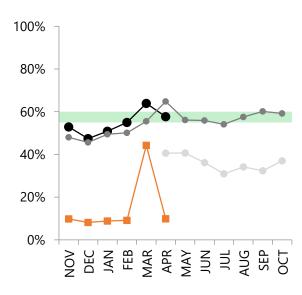


Based on PMs who send 1+ recognitions per month

People Manager Sent Recognition Coverage **55%** 

▲ Up 3% from F2017

F18 Individual Contributor





Based on employees who have logged in within the past 30 days

Monthly Active Users **52%** 

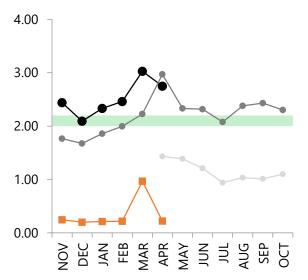


Based on average recognitions sent by PMs per month

People Manager Sent Recognition Index

2.6

▲ Up 0.5 from F2017



- KPIs defined using Employee input – survey
- Focus on people managers & added individual contributor in F18
- 3-pronged strategy
- Dashboards shared monthly with key stakeholders





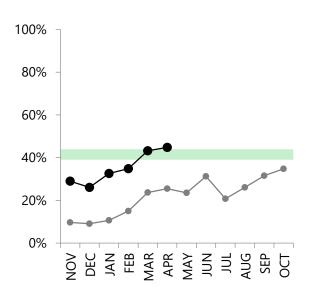
#### APPLAUSE 2.0 - KEY PERFORMANCE INDICATORS

#### **Unnamed Corp. Function**

F2018 Year to Date

\$ Based on monthly point budget usage by PMs

People Manager Budget Usage **35%** 



F18 Target



Based on employees who have enabled their account to date

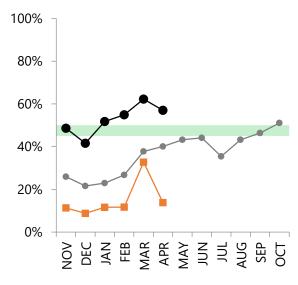
All Employee Activation **89%** 



F18 Individual Contributor

Based on PMs who send 1+ recognitions per month

People Manager Sent Recognition Coverage **53%** 





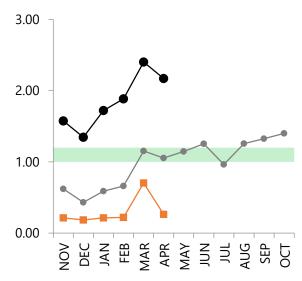
Based on employees who have logged in within the past 30 days

Monthly Active Users **54%** 



Based on average recognitions sent by PMs per month

People Manager Sent Recognition Index **1.9** 



#### Corp. Function Story

- Met with Head and executive mgmt. team in Jan 2017
- Head committed to use all his points each month, and ask his direct reports about their recognition activity
- Recognition
   Ambassador
   appointed in July





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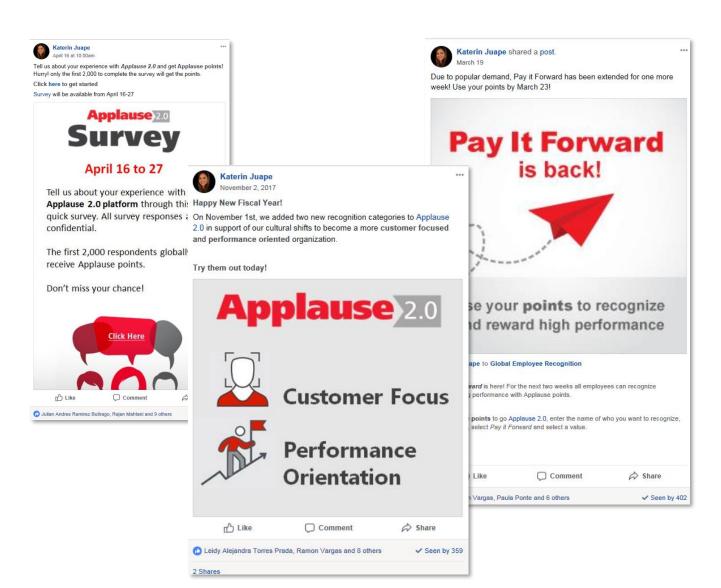
Alignment to Business



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#### CONTINUOUS COMMUNICATION







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NPS - Customer Satisfaction

- Employee view
  - Engagement scores
  - Performance scores
  - Turnover

 Results Driver opportunities (regional ownership)







- ☐ Inclusive program
- ☐ KPIs and results transparency
- ☐ Strategic campaigns
- □ Recognition Ambassadors



WorldatWork. 2018 TOTAL REWARDS
Conference & Exhibition







